

CHAPTER 7

Washington State
Community Development Block Grant (CDBG)

HOUSING ENHANCEMENT GRANT PRE-APPLICATION



June 2003

**WASHINGTON STATE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
2003 HOUSING ENHANCEMENT GRANT PRE-APPLICATION**

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This publication is available in an alternate format upon request.

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Housing Enhancement Funds: Up to \$1 million is available from the Community Development Block Grant (CDBG) Program for Federal Fiscal Year (FFY) 2003 to provide companion funding for projects that have been selected to receive grants or loans from the Housing Trust Fund (HTF). The purpose of the Housing Enhancement Program is to streamline the financing of eligible housing projects that may need additional funding in order to be successful. Requests for CDBG funds are considered at the same time as applications to the HTF.

Housing Enhancement funds can be used for eligible costs associated with farmworker housing projects.

CDBG Housing Enhancement funds are available to cover project costs that cannot be paid for using HTF dollars. An example of an eligible cost is off-site infrastructure that is essential to a housing project and is considered an ineligible cost to the HTF.

Housing Enhancement funds can also be used to pay for the non-housing costs of projects that are an integral part of a comprehensive project. An example would include the costs of a day care facility that has been incorporated into the design of a project that is requesting HTF support.

Eligible recipients of CDBG Housing Enhancement grants are cities and towns with less than 50,000 population or counties with less than 200,000 population provided that the cities, towns and counties do not participate in a U. S. Department of Housing and Urban Development Consortium. Applicants to the HTF that are not eligible to receive CDBG Enhancement funds directly, such as local housing authorities, tribal housing organizations, or local nonprofit developers, must apply through the eligible jurisdiction where the project is or will be located. Eligible applicants must meet all federal requirements of the CDBG program including the completion of project related citizen participation activities and a CDBG Disclosure Report.

The review of CDBG Housing Enhancement applications includes the determination by CDBG and Housing Finance Unit staff that the amount of assistance being requested is funding a clearly defined gap between the amount of funds necessary to complete a project and all other potential funding sources. Use of CDBG Enhancement funds must be determined to be both necessary and appropriate within the scope and proposed use of a HTF Project.

HTF applicants that wish to be considered for CDBG Housing Enhancement funds **must have the certified support of an eligible local government in advance of the HTF application due date.** (See Project Summary Form on page 6, item #12.) Potential applicants for CDBG funds are also encouraged to contact CDBG staff prior to submitting an HTF application to discuss CDBG requirements and funding availability. CDBG staff are available to assist in providing information regarding local certification and citizen participation requirements. Contact Dwight Edwards at (360) 725-3011 or e-mail him at dwighte@cted.wa.gov.

APPLICATION PROCESS

The Housing Enhancement Grant is a two-phase process, requiring applicants to submit a pre-application, prior to submission of the general application. Only upon receiving written approval of the pre-application will applicants be invited to submit the general application.

Pre-Application Phase

1. Applicants interested in applying for CDBG Housing Enhancement funds must submit the following program information with the Housing Trust Fund (HTF) Application:
 - Housing Enhancement Project Summary Form
 - CDBG Citizen Participation Requirements
 - Project Budget Form
 - Contact List
 - Housing Enhancement Pre-Application Checklist
2. Concurrent threshold review of application:
 - HTF staff will review application for HTF threshold requirements.
 - CDBG staff will review the HTF application and CDBG Project Summary Form to determine project eligibility based on the following criteria:
 - The project activity is not eligible for funding from HTF.
 - That CDBG dollars appear to fill a funding and/or affordability gap.
 - The activity makes sense, is financially feasible and is ready to proceed.
 - The project is sponsored by an eligible non-entitlement jurisdiction.
 - The project meets a HUD National Objective.
 - CDBG staff may request additional information from applicant to determine project eligibility. Applicants will have up to two weeks to provide staff with requested information.
3. HTF and CDBG staff will meet to finalize the eligibility determination and funding recommendation.
4. CDBG staff will notify local jurisdiction of Housing Enhancement funding eligibility/ineligibility. If project meets the above requirements, the local jurisdiction will be sent a notice of invitation to submit the complete general Housing Enhancement Application.

Application Phase

1. A Housing Enhancement Grant Application will be mailed to the jurisdiction along with a notice of invitation letter. The application must be completed before a HTF award is made. The applicant must submit their general grant application within 30 days from the date of the notice of invitation letter.
2. Complete the application and the following federal requirements:
 - CDBG Disclosure Report
 - Resolution with Certification of Compliance

- Citizen Grievance Procedure
 - Housing Enhancement Application Checklist
3. The general Housing Enhancement Application must be submitted within 30 days from the date of the invitation letter. The Application **MUST** include all of the threshold requirements listed above.

Application Submittal

Submit one **original** (signed in ink) and one **copy** of the Pre-Application to:

Laurie Dschaak
CDBG Program
Office of Community Development
906 Columbia Street SW
Post Office Box 48350
Olympia, Washington 98504-8350

Application materials and forms may be requested on disk by contacting Laurie Dschaak at (360) 725-3020 or email at lauried@cted.wa.gov.



Office of Community Development

Providing financial and technical resources to build livable and sustainable communities.

FACT SHEET

HOUSING ENHANCEMENT GRANT

Overview

The Housing Enhancement Program offers flexible companion grants in coordination with the Housing Finance Unit (HFU) by providing eligible cities and counties the opportunity to partner with non-profit, low-income housing developers to assist in the development or preservation of housing projects. The purpose of the Housing Enhancement Program is to provide a flexible source of funds to streamline project financing and improve the feasibility and affordability of well developed projects. The Washington State Small Cities Community Development Block Grant (CDBG) Program is funded by the U.S. Department of Housing and Urban Development (HUD). The purpose of the state CDBG Program is to improve and maintain the economic and physical environment of eligible, non-entitlement cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.

All CDBG-funded projects must meet one of three national objectives of the CDBG Program (Title I, Housing and Community Development Act of 1974, as amended):

- To principally benefit persons of low- and moderate-income;
- To prevent or eliminate slums or blight; or
- To meet the urgent community development needs which pose a serious and immediate threat to public health and safety.

Eligible Applicants

Eligible applicants for Housing Enhancement Grants are cities and towns in Washington State with less than 50,000 population or counties with less than 200,000 population provided that the cities, towns, and counties *do not* participate in HUD Urban County Consortiums.

Non-profit organizations, Indian tribes, and special purpose organizations such as public housing authorities, port districts, community action agencies, and economic development councils, are not eligible to apply directly to the CDBG Program for funding. However, eligible jurisdictions may choose to serve Indian tribes within their jurisdiction or to involve the other organizations in the operation of projects funded under the program.

Eligible Activities

CDBG Housing Enhancement funds are available to cover project costs that cannot be paid for using Housing Trust Fund dollars, but are essential to the project's overall success. Examples of eligible costs include off-site infrastructure that is essential to a housing project and is considered an ineligible cost to the Housing Trust Fund. Housing Enhancement funds can also be used to pay for the non-housing costs of projects that are an integral part of a comprehensive project. An example would include the costs of a day care facility that has been incorporated into the design of a project that is requesting Housing Trust Fund support.

A complete listing of eligible activities can be found in Section 105 (a) of Title I of the Housing and Community Development Act of 1974, as amended.

Ineligible Activities

In general, any activity not described in the reference above, or any activity which does not benefit predominately low-income persons, is ineligible for consideration. In addition, CDBG Housing Enhancement Grants may not be used to fund:

- New housing construction.
- Costs of equipment .
- Furnishings.
- Personal property not an integral structural fixture such as window air conditioners, washers, or dryers.
- Installation of luxury items, such as a swimming pool.

Funding Levels

A fund of \$1,000,000 is available for 2003. Housing Enhancement grants are limited to the amount of funds available at the time of application. The HTF application due date for the second funding round is in early September 2003. Applicants should check as to fund availability prior to applying.

More Information

For more information regarding the Housing Enhancement Fund, contact Dwight Edwards at (360) 725-3011 or email at dwighte@cted.wa.gov.

CDBG HOUSING ENHANCEMENT PROJECT SUMMARY FORM

1. Applicant Jurisdiction: _____
Address: _____
Phone: _____
FAX: _____
Tax ID #: _____
2. Contact Person: _____
Title or Affiliation: _____
Address: _____
Phone: _____
FAX: _____
Email: _____
3. Subrecipient Organization: _____
Contact Person: _____
Address: _____
Phone: _____
Email: _____
4. Consultant: _____
Address: _____
Phone: _____
Email: _____
5. Fiscal Year from _____ to _____
6. County: _____ State Legislative Dist.: _____ Congressional Dist.: _____
7. Project Summary:

8. Project Category. Please check with the categories that apply. (Refer to page 5 for information regarding which category to choose.)

_____ Comprehensive _____ Housing _____ Community Facilities _____ Public Facilities

9. National Objective Addressed (Please check the applicable objective.)

_____ Principally benefits low- and moderate-income households, ___ %
_____ Prevents or eliminates slums or blight
-NA- Meets urgent community development needs which pose a
serious and immediate threat to public health or safety

10. Project Locations: Latitude: _____ Longitude: _____

11. Total Project Budget:
- | | |
|--------------------|-------|
| CDBG \$ | _____ |
| Other Federal | _____ |
| Housing Trust Fund | _____ |
| Local Public | _____ |
| Private | _____ |
| TOTAL \$ | _____ |

12. Certification of Chief Administrative Official

Signature

Title

Name (Please type or print)

Date

PROJECT SUMMARY FORM INSTRUCTIONS

The Project Summary Form serves as the cover page for the application and should be the first page inside the cover.

1. The applicant jurisdiction must be a non-entitlement city or county (see Appendix A). The Tax Identification number is usually a “91-” number.
2. Provide information on the person to be contacted, should more information regarding the threshold requirements or project proposal be needed by the OCD staff.
3. Provide information on any subrecipient organization that will benefit from the project or receive CDBG funds as a pass through.
4. Provide information on the consultant used to develop the proposal, if applicable.
5. List the month and day of the beginning and end dates of the applicant’s fiscal year.
6. List the numbers of the state and congressional districts.
7. Provide a brief project summary, highlighting what is to be accomplished and the major elements of the project.
8. Check the appropriate project category.
9. Indicate which CDBG Program national objective this application addresses. Also list the percentage of low- and moderate-income (LMI) benefit, as documented with the Low Income Households Benefit Table. All Community Investment Fund Grants must address the national object of “principally benefiting low- and moderate-income households” by meeting threshold requirements. It is not necessary to address more than one national objective.
10. List the approximate latitude and longitude of the proposed project.
11. List the project budget.
12. This form must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator, or city manager as applicable). **An original signature must be submitted.** Please clearly state the official’s name and title.

CITIZEN PARTICIPATION REQUIREMENTS

To apply for CDBG funds, a jurisdiction must show it has involved its citizens in the CDBG application process and complied with the specific federal citizen participation requirements outlined in 24 CFR 570.486. These regulations are provided in the sample handout on page 11.

If a jurisdiction intends to apply for more than one type of CDBG grant during the same year, it is advisable to contact the CDBG office to discuss how to coordinate these citizen participation and public hearing requirements.

SUMMARY

The minimum citizen participation requirements for the submission of a CDBG application are:

1. Conduct at least one public hearing prior to submission of the CDBG application. This hearing must be held at a convenient time and location to encourage citizen participation.
2. Publish an official announcement of the hearing, providing reasonable advance notice. A sample public hearing notice with required language is provided on page 13.
3. Distribute information on the availability of CDBG funds and the eligible uses at the public hearing. Sample handouts are provided on pages 4 and 5. The hearing minutes must reflect that these handouts were distributed at the public hearing.
4. **Publish the public hearing notice in an alternate language and provide an interpreter at the hearing, when the jurisdiction includes a significant number of non-English speaking residents. (Significant number is anything over 5% of the population).**
5. Adopt a grievance procedure for the use of CDBG funds. A sample grievance procedure is provided on page 12.
6. Document that the notice was published and the hearing was held. A documentation checklist is provided below.

The required citizen participation documentation to be submitted with the application includes:

- ✓ A copy of the public hearing minutes, including a statement in the minutes that the CDBG required handouts were distributed.
- ✓ A copy of the affidavit of publication or the actual notice from the paper.
- ✓ If applicable, a copy of the affidavit of publication or the notice from the paper in an alternate language.
- ✓ A copy of the jurisdiction's adopted Grievance Procedure.

See the following page for more important information on these requirements. P

DETAILED INFORMATION ON THE REQUIREMENTS

1. Public Hearing Logistics

What is a public hearing? – A public hearing is a meeting of a governmental body during which the public is invited to the council or board of county commissioners, who will primarily listen and receive public input. A public hearing may be held as part of a regularly scheduled public meeting where official decisions may then be made or where it is elected to make a decision at a subsequent meeting.

Who must conduct the hearing? – The applicant city, town or county. Although some applications are developed by other community organizations or special districts, these organizations cannot conduct the hearing and have it meet CDBG requirements.

When must the hearing be held? – Prior to submission of the CDBG application and within 18 months of the application due date.

Where must the hearing be held? – The hearing location must be accessible to persons of disability. The location must also be convenient for persons likely impacted by the proposed project. This is particularly relevant for county's proposing a project in a community that is far from the county seat.

2. Public Hearing Notice

When must the advance notice be made? – Generally, a legal notice is published at least one week prior to the hearing date. The notice must meet the local public hearing notice requirements.

Where must the notice be made? – The hearing must be well-advertised, generally in the official local paper. In addition, public notice can be made using community bulletin boards, local newsletters, billing statements, newspaper articles or door-or-door distribution. Residents within those areas in which CDBG funds are proposed to be used, especially the low- and moderate-income persons, should be encouraged to attend or provide comment.

What must the notice say? – A sample notice is provided on the following page.

3. Public Hearing Purpose

What must the CDBG hearing cover? – The hearing is to obtain citizens' views and respond to proposals and questions. It must cover community development and housing needs and the availability of CDBG funds. The CDBG Program handout materials are to be distributed. Additional handout materials describing the proposed project(s) are advisable. A copy of the handout information in Spanish is provided in Appendix F and in English on page 44.

4. Meeting the Needs of Non-English Speaking Residents

What is considered a "significant number"? – The general rule is more than five percent of the population. Even if this general rule isn't met, providing special outreach is strongly recommended if the proposed project might impact a minority group or neighborhood. The community's population distribution can be found in your application's Community Data Summary Form. Also Appendix G contains a listing of populations by race and Hispanic origin for all counties, towns and cities.

What accommodations are required? – Hearing notice must be made in the alternate language, stating an interpreter will be available. This notice could be sent to local groups representing these minority

residents. At the hearing, an interpreter must be present and any handout materials be available in the alternate language.

5. Grievance Procedure

What must the procedure do? – The grievance procedure must provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable. A sample procedure to be adopted is provided on page 50.

NOTE: If funded, an additional public hearing will be required towards the end of the project to review and receive comments on the project's performance. This final public hearing should be included in your proposal's Work Plan. Also if funded, a public hearing would be required if activities are proposed to be added, deleted or substantially changed from the original proposal.

SAMPLE CITIZEN PARTICIPATION DOCUMENTS

See the following pages for samples to assist you in meeting the requirements.

HELPFUL HINT: Plan for the required initial public hearing NOW! Decide the hearing date and then work backwards to determine when and how the public announcement must be published to allow sufficient notice time.

PUBLIC HEARING HANDOUT

Federal Citizen Participation Requirements for Local Government Applicants to the State CDBG Program

Federal Regulations 24 CFR 570.486 (a)

- (a) *Citizen participation requirements of a unit of general local government.* Each unit of general local government shall meet the following requirements as required by the state at Sec. 91.115(e) of this title.
- (1) Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;
 - (2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed and actual use of CDBG funds;
 - (3) Furnish citizens information, including but not limited to:
 - (i) The amount of CDBG funds expected to be made available for the current fiscal year (including the grant and anticipated program income);
 - (ii) The range of activities that may be undertaken with the CDBG funds;
 - (iii) The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons; and
 - (iv) The proposed CDBG activities likely to result in displacement and the unit of general local government's anti-displacement and relocation plans required under Sec. 570.488.
 - (4) Provide technical assistance to groups representative of persons of low and moderate income that request assistance in developing proposals in accordance with the procedures developed by the state. Such assistance need not include providing funds to such groups;
 - (5) Provide for a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. The public hearings to cover community development and housing needs must be held before submission of an application to the state. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate;
 - (6) Provide citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in an application to the state and, for grants already made, activities which are proposed to be added, deleted or substantially changed from the unit of general local government's application to the state. ***Substantially changed*** means changes made in terms of purpose, scope, location or beneficiaries as defined by criteria established by the state.
 - (7) Provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable.

SAMPLE GRIEVANCE PROCEDURE

This This grievance procedure is intended to serve as a guide and should be revised to reflect local circumstances and to incorporate any applicable state or local laws.

1. Submit complaints in writing to the designated official (such as the city manager, city/county clerk, or county executive) for resolution. A record of the complaints and action taken will be maintained. A decision by the designated official will be rendered within 15 working days.
2. If the complaint cannot be resolved to your satisfaction by the designated official,
 - It will be forwarded to a committee appointed by the governing body. This committee's membership, its ground rules or procedures for hearing complaints and how the committee can be contacted will be available to the public. The committee will be directed to hear such complaints in an objective, public manner, and after adequate public notice. A written decision will be made within 30 working days. Proceeding of the committee will be recorded and maintained.

OR

- The complaint will be heard by the governing body and discussed at an open, public meeting of the elected body. A written decision will be made within 30 working days. The decision of the governing body is final.
3. A record of action taken on each complaint will be maintained as a part of the records or minutes at each level of the grievance process.

Adopted this _____ day of _____, 200__.

(Signature of Chief Administrative Officer)

(Title)

Attest:

SAMPLE PUBLIC HEARING NOTICE

Additional information can be added to these required clauses to meet specific local announcement needs and to encourage participation.

Where/When:	NOTICE IS HEREBY GIVEN that a public hearing will be held by the <i>(city council/county board of commissioners)</i> in the <i>(council chambers/hearing room)</i> , <i>(location)</i> , on <i>(date and time)</i> .
Basic Clause:	The purpose of the public hearing is to review community development and housing needs, inform citizens of the availability of funds and eligible uses of the state Community Development Block Grant (CDBG), and receive comments on proposed activities, particularly from low- and moderate-income persons and persons residing in the <i>(name of area)</i> area.
Clause describing the availability of funds and eligible uses:	Up to \$25,000 per unit may be available to the <i>(city/county)</i> on a statewide competitive basis to fund public facility, housing, economic development, or community facility projects that principally benefit low- and moderate-income persons.
Comment clause:	The draft application for the <i>(project name)</i> proposal will be available for review at the <i>(location – government office and/or library)</i> , <i>(time and date)</i> . Comments may also be submitted in writing to <i>(city/county)</i> , <i>(time period)</i> .
Accommodation clause:	The <i>(council chambers/hearing room)</i> is handicap accessible. Arrangements to reasonably accommodate the needs of special classes of citizens, including handicap accessibility or interpreter, will be made upon receiving twenty-four (24) hour advance notice. Contact <i>(name)</i> at <i>(number, location)</i> .

CDBG PROJECT BUDGET FORM

Project Duration _____ Months				
	Source 1	Source 2	Source 3	Total
	CDBG			
General Administration				
(CDBG contract execution, files and record keeping, civil rights compliance)				
Project Administration				
(Project Manager, Consultant Fees, Subrecipient Fees, Environmental Review, Housing Rehabilitation Administration)				
Architectural Fees				
Engineering Fees				
Acquisition				
Relocation				
Architectural Barrier Removal				
Housing Rehabilitation				
Water/sewer side connections				
Sewer Improvements				
Water Improvements				
Street Improvements				
Fire Protection				
Community Facilities				
Commercial/Industrial Facilities				
Revolving Loan Fund Program				
Public Services				
Planning				
Other, list				
Total				

CDBG PROJECT BUDGET FORM INSTRUCTIONS

The CDBG Project Budget Form is used to provide the total budget of the proposed CDBG project, and is divided between activity costs (such as general administration, project administration, public facilities construction or housing rehabilitation).

When determining costs for the Project Budget Form, applicants should indicate only the level of funding necessary to carry out the project. The grant request must be sufficient either by itself or in combination with other proposed funding sources to assure effective administration and completion of the proposed project within the contract period.

Complete the Project Budget Form as follows; list CDBG costs in the Source 1 column and estimated costs associated with other sources (as well as the name of the other source) in the Source 2 and Source 3 columns, as needed.

Project Duration Enter the total number of months the project will take to complete.

General Administration Grantees should carefully complete this line item. In addition to identifying administrative expenditures, it will serve as a guide for preparing the contract and for project monitoring in the event the proposal is funded. General Administration is distinct from project administration, which is defined on the next page.

If applying for CDBG administrative funds, applicants should keep in mind that grant recipients are expected to stay within this budget; administrative costs are not normally changed during the life of the project.

The following is a list of eligible general administration activities:

- ♦ Review and execution of the CDBG contract;
- ♦ Establishment of CDBG files and record keeping;
- ♦ Compliance with civil rights activities including fair housing activities, Section 504, ADA, and Title VI; and
- ♦ Contract close-out activities.

The general administration line item does not include the administrative costs for project activities such as housing, economic development, community facilities, or public facilities. General administration does not include any costs associated with the preparation of a CDBG application. ***The application preparation costs are ineligible under CDBG guidelines.*** Please contact CDBG Program staff if you have questions concerning administration costs.

All applicants must complete the administrative line item whether they are requesting CDBG funds for administration or not. General Administration costs can be covered through local or in-kind contributions.

Items to include when computing the general administration line item include:

Personal Services -Compute all salaries, wages, and fringe benefits to be paid for general administration of the grant.

Office Costs - Compute the costs of supplies. Include postage costs, telephones, equipment leasing costs, printing and publication costs, and office costs. Publishing Fair Housing resolutions can also be costly and should be considered when preparing the budget.

Professional Services -Compute consultant costs, legal costs, and audits costs. Generally, engineering and other technical services should be entered under engineering and other technical service line items.

Other - Applicants should take into consideration any other administrative costs or expenses which may be incurred prior to administrative close-out.

Enter total costs calculated for general administration and enter under the general administration line item.

Project Administration- Enter all costs which are directly related to project implementation and carrying out the CDBG project.

The following is a list of eligible project administration activities:

- ♦ Conducting environmental reviews and preparing environmental review documents;
- ♦ Attending grant management training workshops;
- ♦ Processing payment vouchers; and
- ♦ The costs of processing applications for direct benefit projects and conducting inspections.

Architectural Fees- Enter all costs associated with the use of an architectural firm.

Engineering Fees- Enter the total engineering costs associated with the project.

Acquisition- Enter total purchase price, include the appraisal costs in addition to any closing costs associated with the acquisition of property. Explain all costs listed in the Budget Assumptions.

Relocation- List all costs associated with relocation. If you are unsure if relocation is applicable, contact the CDBG Program staff.

Architectural Barrier Removal- Enter costs associated with removing architectural barriers to bring facilities into compliance with the Americans with Disabilities Act.

Housing Rehabilitation- Enter all costs associated with housing activities if the project category of the application is housing rehabilitation or contains housing rehabilitation as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific listed housing activity, include those costs on the appropriate line item. Explain all housing activity costs in the Budget Assumptions.

- NOTE -

If a sub-recipient will be used to administer housing rehabilitation activities, submit a separate project administration line item for the sub-recipient's administration.

Water/Sewer Side Connections - Enter costs associated with the replacement or construction of water or side service connections. This includes all work done on private property. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Sewer Improvements- Include all costs associated with construction or rehabilitation of the sewer system. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Water Improvements- Enter costs associated with construction or rehabilitation of the water system. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Street Improvements- Enter costs associated with construction or rehabilitation of streets. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Fire Protection- List all costs associated with fire protection such as fire protection equipment or fire protection vehicles. Explain all fire protection activity costs in the Budget Assumptions.

Community Facilities - Enter all costs associated with community facilities activities if the project category of the application is community facilities or includes community facilities activities as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item. Explain all community facilities activity costs in the Budget Assumptions.

Commercial/Industrial Facilities- Enter all costs associated with commercial or industrial activities if the project category of the application is economic development or includes economic development activities as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item. Explain all economic development activity costs in the Budget Assumptions.

Revolving Loan Fund Programs - List costs associated with setting up or retaining a revolving loan fund program. Explain all costs in the Budget Assumptions.

Public Services - Enter total public services costs. This refers to direct costs (including personnel, supplies, and travel) associated with the provisions of public services eligible under the CDBG Program. Please note: Not more than 15 percent of the total request may be used for public services, except under certain conditions specified in the law.

Planning - Enter total planning costs. This refers to proposed planning costs directly related to the overall project proposal, and is not related to the CDBG Planning-Only Grant which has its own application cycle. This could include activities such as clearance, flood control or drainage. The combined general administration costs and planning costs may not exceed 15 percent of the total funding request.

Other - List costs associated with any other activity not listed above, such as clearance, flood control or drainage activities, or parking. Explain all activities in the Budget Assumptions.

NOTE: For Comprehensive Projects - Use line items which reflect activities included in the proposal.

Total Project Budget - Enter total for each source and a grant total on the line provided.

CONTACT LIST
FOR
 FUNDING RESOURCES, PARTNERS AND INTERESTED PARTIES

PROGRAM	CONTACT PERSON	PHONE # AND E-MAIL

CDBG HOUSING ENHANCEMENT GRANT PRE-APPLICATION CHECKLIST

	✓ When Completed
Submit an original HE PreApplication <u>and</u> one copy.	_____
➤ Housing Enhancement Project Summary Form	_____
➤ CDBG Citizen Participation Requirements	_____
➤ Project Budget Form	_____
➤ Contact List	_____
Housing Enhancement Pre-Application Checklist	_____

APPENDICES

APPENDIX A - Eligible and Ineligible Jurisdictions

APPENDIX B - Jurisdictions with 51% Low- and Moderate-Income

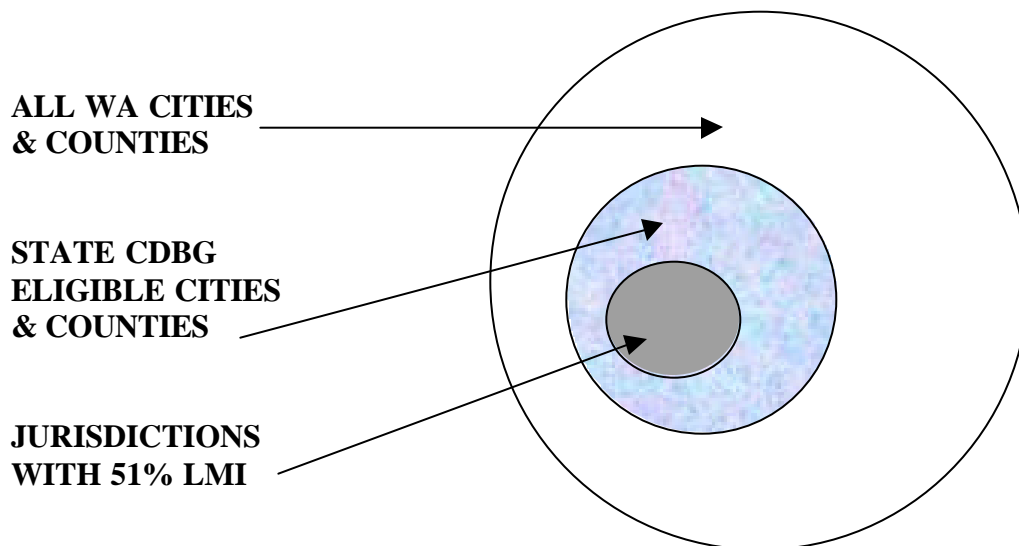
APPENDIX C - 2002 Low- and moderate-Income Limits

APPENDIX D - Area Benefit/Direct Benefit Chart

APPENDIX E - List of Jurisdiction Populations by Race and Hispanic Origin

APPENDIX F - Public Hearing Handout Spanish Version

The diagram below shows the relationship between eligible and ineligible communities, and is to be used as a reference when reviewing the requirements and lists within these appendices.



ELIGIBLE AND INELIGIBLE JURISDICTIONS

1. Eligible Jurisdictions

a. Non-Entitlement Cities and Towns:

Aberdeen	Granger	Omak	Wenatchee
Albion	Hamilton	Oroville	West Richland
Almira	Harrah	Othello	Westport
Anacortes	Harrington	Palouse	White Salmon
Asotin	Hartline	Pateros	Wilber
Benton City	Hatton	Pe Ell	Wilson Creek
Bingen	Hoquiam	Pomeroy	Winlock
Blaine	Ilwaco	Port Angeles	Winthrop
Brewster	Ione	Port Townsend	Yelm
Bridgeport	Kahlotus	Prescott	Zillah
Bucoda	Kalama	Prosser	
Burlington	Kelso	Pullman	
Cashmere	Kettle Falls	Quincy	
Castle Rock	Kittitas	Rainer	
Cathlamet	Krupp	Raymond	
Centralia	La Conner	Reardan	
Chehalis	La Crosse	Republic	
Chelan	Lacey	Ritzville	
Chewelah	Lamont	Riverside	
Clarkston	Langley	Rock Island	
Cle Elum	Leavenworth	Rosalia	
Colfax	Lind	Roslyn	
College Place	Long Beach	Royal City	
Colton	Longview	Sedro Woolley	
Colville	Lyman	Selah	
Conconully	Lynden	Sequim	
Concrete	Mabton	Shelton	
Connell	Malden	Soap Lake	
Cosmopolis	Mansfield	South Bend	
Coulee City	Marcus	South Cle Elum	
Coulee Dam	Mattawa	Sprague	
Coupeville	McCleary	Springdale	
Creston	Mesa	St. John	
Cusick	Metaline	Starbuck	
Davenport	Metaline Falls	Stevenson	
Dayton	Montesano	Sumas	
East Wenatchee	Morton	Sunnyside	
Electric City	Moses Lake	Tekoa	
Ellensburg	Mossyrock	Tenino	
Elma	Mount Vernon	Tieton	
Elmer City	Moxee	Toledo	
Endicott	Naches	Tonasket	
Entiat	Napavine	Toppenish	
Ephrata	Nespelem	Tumwater	
Everson	Newport	Twisp	
Farmington	Nooksack	Union Gap	
Ferndale	North Bonneville	Uniontown	
Forks	Northport	Vader	
Friday Harbor	Oak Harbor	Waitsburg	
Garfield	Oakesdale	Walla Walla	
George	Oakville	Wapato	
Goldendale	Ocean Shores	Warden	
Grand Coulee	Odessa	Washtucna	
Grandview	Okanogan	Waterville	

b. Non- Entitlement Counties:

Adams	Franklin	Lincoln	Thurston
Asotin	Garfield	Mason	Wahkiakum
Benton	Grant	Okanogan	Walla Walla
Chelan	Grays Harbor	Pacific	Whatcom
Clallam	Island	Pend Oreille	Whitman
Columbia	Jefferson	San Juan	Yakima
Cowlitz	Kittitas	Skagit	
Douglas	Klickitat	Skamania	
Ferry	Lewis	Stevens	

2. INELIGIBLE JURISDICTIONS

a. Entitlement Cities and Towns:

Airway Heights	Eatonville	Medina	Sammamish
Algona	Edgewood	Mercer Island	Sea Tac
Arlington	Edmonds	Mill Creek	Seattle
Auburn	Enumclaw	Millwood	Shoreline
Bainbridge Island	Everett	Milton	Skykomish
Battle Ground	Fairfield	Monroe	Snohomish
Beaux Arts Village	Federal Way	Mountlake Terrace	Snoqualmie
Bellevue	Fife	Mukilteo	South Prairie
Bellingham	Fircrest	Newcastle	Spangle
Black Diamond	Gig Harbor	Normandy Park	Spokane
Bonney Lake	Gold Bar	North Bend	Stanwood
Bothell	Granite Falls	Olympia	Steilacoom
Bremerton	Hunts Point	Orting	Sultan
Brier	Index	Pacific	Sumner
Buckley	Issaquah	Pasco	Tacoma
Burien	Kennewick	Port Orchard	Tukwila
Camas	Kent	Poulsbo	University Place
Carbonado	Kenmore	Puyallup	Vancouver
Carnation	Kirkland	Redmond	Washougal
Cheney	La Center	Renton	Waverly
Clyde Hill	Lake Forest- Park	Richland	Wilkeson
Covington	Lake Stevens	Ridgefield	Woodinville
Darrington	Lakewood	Rockford	Woodland
Deer Park	Latah	Roy	Woodway
Des Moines	Lynnwood	Ruston	Yacolt
Du Pont	Maple Valley		Yakima
Duvall	Marysville		Yarrow Point
	Medical Lake		

b. Entitlement Counties:

Clark	Pierce
King	
Kitsap	
Snohomish	
Spokane	

**JURISDICTIONS WITH 51 PERCENT LMI INCOME POPULATION
(BASED ON HUD'S 1990 CENSUS DATA)**

CITY/TOWN	% OF LOW INCOME	CITY/TOWN	% OF LOW INCOME
BINGEN	76.40	MOXEE	51.95
BREWSTER	53.93	NACHES	56.05
BRIDGEPORT	56.98	NESPELEM	52.85
BUCODA	68.80	NEWPORT	53.14
CLARKSTON	53.07	OAKVILLE	51.13
CONCONULLY	71.62	OROVILLE	63.60
COULEE CITY	58.13	PE ELL	53.02
CRESTON	55.33	PRESCOTT	62.62
CUSICK	75.80	PULLMAN	56.15
ELLENSBURG	58.67	QUINCY	57.88
ELMA	53.45	RAINIER	58.63
ENDICOTT	59.08	RAYMOND	51.63
EVERSON	53.28	ROSALIA	51.89
FARMINGTON	65.25	ROSLYN	51.59
GEORGE	64.17	ROYAL CITY	62.29
GRAND COULEE	54.74	SOAP LAKE	62.90
GRANDVIEW	51.10	SPRINGDALE	76.95
GRANGER	63.00	STARBUCK	53.94
HAMILTON	55.92	SUNNYSIDE	51.40
HARRAH	52.98	TEKOA	56.23
KITTITAS	54.73	TENINO	57.92
KRUPP	63.83	TIETON	62.95
LAMONT	53.13	TONASKET	51.67
LONG BEACH	51.12	TOPPENISH	63.09
LYMAN	52.83	WAPATO	67.00
MABTON	63.42	WARDEN	53.50
MALDEN	75.90	WILSON CREEK	53.89
MARCUS	63.28	WINTHROP	58.59
MATTAWA	77.35	YELM	63.55
MOSSYROCK	54.46		

2002 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
ADAMS	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
ASOTIN	50	14500	16550	18650	20700	22350	24000	25650	27300
	80	23200	26500	29800	33100	35750	38400	41050	43700
BENTON	50	17350	19800	22300	24750	26750	28700	30700	32650
	80	27700	31700	35650	39600	42750	45950	49100	52250
CHELAN	50	14500	16550	18650	20700	22350	24000	25650	27300
	80	23200	26500	29800	33100	35750	38400	41050	43700
CLALLAM	50	14200	16200	18250	20250	21850	23500	25100	26750
	80	22700	25900	29150	32400	35000	37600	40150	42750
CLARK	50	20000	22900	25750	28600	30900	33200	35450	37750
	80	32050	36600	41200	45750	49400	53100	56750	60400
COLUMBIA	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
COWLITZ	50	15000	17100	19250	21400	23100	24800	26550	28250
	80	23950	27400	30800	34250	37000	39700	42450	45200
DOUGLAS	50	16000	18300	20550	22850	24700	26500	28350	30150
	80	25600	29250	32900	36550	39500	42400	45350	48250
FERRY	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
FRANKLIN	50	17350	19800	22300	24750	26750	28700	30700	32650
	80	27700	31700	35650	39600	42750	45950	49100	52250

2002 Income Limits

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
GARFIELD	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
GRANT	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
GRAYS HARBOR	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
ISLAND	50	27250	31150	35050	38950	42050	45200	48300	51400
	80	38100	43500	48950	54400	58750	63100	67450	71800
JEFFERSON	50	14250	16300	18300	20350	22000	23600	25250	26850
	80	22800	26050	29300	32550	35150	37750	40350	43000
KING	50	27250	31150	35050	38950	42050	45200	48300	51400
	80	38100	43500	48950	54400	58750	63100	67450	71800
KITSAP	50	18050	20600	23200	25750	27800	29850	31950	34000
	80	28850	32950	37100	41200	44500	47800	51100	54400
KITITITAS	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
KLICKITAT	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
LEWIS	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
LINCOLN	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
MASON	50	14750	16900	19000	21100	22800	24500	26150	27850
	80	23650	27000	30400	33750	36450	39150	41850	44550
OKANOGAN	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
PACIFIC	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
PEND OREILLE	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
PIERCE	50	18200	20800	23400	26000	28100	30150	32250	34300
	80	29100	33300	37450	41600	44950	48250	51600	54900
SAN JUAN	50	20550	23500	26400	29350	31700	34050	36400	38750
	80	32850	37550	42250	46950	50700	54450	58250	62000
SKAGIT	50	16400	18750	21100	23450	25350	27200	29100	30950
	80	26250	30000	33750	37500	40500	43500	46500	49550
SKAMANIA	50	14900	17050	19150	21300	23000	24700	26400	28100
	50	23850	27250	30650	34100	36800	39550	42250	45000
SNOHOMISH	50	27250	31150	35050	38950	42050	45200	48300	51400
	80	38100	43500	48950	54400	58750	63100	67450	71800
SPOKANE	50	16300	18650	20950	23300	25150	27050	28900	30750
	80	26100	29800	33550	37300	40250	43250	46250	49200
STEVENS	50	14050	16100	18100	20100	21700	23300	24900	26550
	80	22500	25750	28950	32150	34750	37300	39900	42450
THURSTON	50	18550	21200	23850	26500	28600	30750	32850	35000
	80	29700	33900	38150	42400	45800	49200	52550	55950
WAHIAKUM	50	14700	16800	18900	21000	22700	24350	26050	27700
	80	23500	26900	30250	33600	36300	38950	41650	44350
WALLA WALLA	50	15400	17600	19800	22000	23750	25500	27300	29050
	80	24650	28150	31700	35200	38000	40850	43650	46450

COUNTY	%	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
WHATCOM	50	17550	20100	22600	25100	27100	29100	31100	33150
	80	28100	32150	36150	40150	43350	46600	49800	53000
WHITMAN	50	15800	18100	20350	22600	24400	26200	28000	29850
	80	25300	28950	32550	36150	39050	41950	44850	47750
YAKIMA	50	14200	16200	18250	20250	21850	23500	25100	26750
	80	22700	25900	29150	32400	35000	37600	40150	42750

DOES MY PROJECT PROVIDE AN *AREA BENEFIT* OR A *DIRECT BENEFIT* TO LOW- AND MODERATE-INCOME PERSONS?

TYPE OF BENEFIT	DEFINITION	EXAMPLE	DOCUMENTATION REQUIREMENTS
AREA BENEFIT	<p>Area benefit activities meet the identified needs of all households within a clearly defined target area or jurisdiction and at least 51 percent of the households are low- and moderate-income.</p>	<ul style="list-style-type: none"> ▪ A public facility project that benefits only LMI Households through an assessment process or water and/or sewer side-connection process. ▪ A community facility or housing project that, through an income verification process, will serve predominantly LMI residents. ▪ An economic development project that will create or retain jobs for predominantly LMI persons. 	<ul style="list-style-type: none"> ▪ The boundaries of the target area. <i>This target area could be a city or county, or a defined area within or combining cities or counties. The boundaries of this target area must be consistent with the boundaries used to document household income levels (i.e. census tract.)</i> ▪ The household income levels for the target area. <i>Acceptable income data sources include HUD's 1990 Census Data or a CDBG Program-approved income survey conducted since 1990, where at least 51 percent of the residents have low- and moderate-incomes.</i> <i><u>HUD's 1990 Census Data:</u> Listed in Appendix B, are low- and moderate-income communities based on HUD's 1990 Census Data. If the target area is considered low income and is an unincorporated community or a smaller area within an incorporated community, contact the state CDBG Program staff to determine whether it's eligible based on a smaller census designation.</i> <i><u>Income Survey:</u> If you have conducted or intend to conduct an income survey, contact the state CDBG Program staff to receive approval of the survey methodology and response rate or to request a survey guide.</i>
DIRECT BENEFIT	<p>Direct benefit activities clearly focus on benefiting low- and moderate-income persons or members of eligible special groups, rather than all residents of a particular area.</p> <p><i>Eligible special groups:</i></p> <ul style="list-style-type: none"> ▪ <i>Abused children</i> ▪ <i>Battered spouses</i> ▪ <i>Elderly persons</i> ▪ <i>Severely disabled adults</i> ▪ <i>Homeless persons</i> ▪ <i>Illiterate adults</i> ▪ <i>Persons living with AIDS</i> ▪ <i>Migrant farm workers</i> 	<ul style="list-style-type: none"> ▪ A public facility project that benefits only LMI households through an assessment process or water and/or sewer side-connection process. ▪ A community facility or housing project that, through an income verification process, will serve predominantly LMI residents. ▪ An economic development project that will create or retain jobs for predominantly LMI persons. 	<ul style="list-style-type: none"> ▪ A description of the eligibility requirements or exclusive nature of the activity that limits the benefit to low- and moderate-income persons or members of an eligible special need group. <i>For job creation or retention activities, describe how the potential project will ensure the jobs will be made available or provide first consideration to low- and moderate-income persons (for example, first source agreement with local Employment Security Office); and explain how jobs currently held by low- and moderate-income persons would be lost without assistance, if applicable.</i> Please contact CDBG Program staff to discuss alternatives if a project proposal appears to principally benefit low- and moderate-income persons or special groups but does not meet the documentation requirements.

POPULATION BY RACE AND HISPANIC ORIGIN

*****THIS MUST BE INSERTED MANUALLY.

PUBLIC HEARING HANDOUTS (Spanish Version)

Programa de Subvención para el Desarrollo Comunitario (CDBG)

Introducción:

El Programa de Subvención para el Desarrollo Comunitario (CDBG) del Estado de Washington está diseñado para financiar hogares locales, albergues públicos, desarrollos económicos y desarrollar proyectos cuyo propósito principal es beneficiar a las familias de bajos y moderados recursos económicos.

Todos los proyectos locales, deben cumplir cuando menos con uno de los siguientes tres objetivos del programa financiado por la federación (Atículo 1, Ley de 1974 sobre Desarrollo de Comunidades y Albergues, revisado), los cuales son:

- Beneficiar principalmente a personas de bajos recursos
- Prevenir o eliminar condiciones precarias e insalubres
- Rololver necesidades urgentes de desarrollo en la comunidad, las cuales significan un serio e inmediato riesgo para la salud o seguridad pública

Los posibles candidatos para el Programa de CDBG del Estado de Washington, son pueblos o ciudades con menos de 50,000 habitantes o condados con menos de 200,000 habitantes siempre y cuando estos pueblos, ciudades o condados no participen como meimbro del HUD Urban County Consortium.

Naciones indias y organizaciones con propósitos especiales, tales como autoridades de hogares públicos, istritos portuarios, agencias de acción a la comunidad y consejos de desarrollo económico, no califican como candidatos para solicitar directamente financiamiento al Programa de CDBG. Sin embargo, jurisdicciones que si califiquen pueden optar por incluir naciones indias u otras organizaciones en actividades financiadas por una subvención.

Para mayor información sobre el Programa de CDBG, favor de comunicarse al (360) 725-3006.